

PF-2006-00625

NOTE: See the Schedule Page 1A for certain details of your insurance.

HEREBY INSURES the person named in the Schedule (herein called the Insured) and subject to the exceptions, limitations and provisions of this Policy promises to pay indemnity for loss covered by this Policy resulting from injury or sickness to the extent herein provided.

IN WITNESS WHEREOF, the
President and Secretary.

Company, has caused this Policy to be signed by its

NOTICE OF TEN DAY RIGHT TO EXAMINE POLICY

Notification is hereby given that the Insured named in this Policy is permitted to return this Policy within 10 days of its receipt by him or her and have the premium paid refunded, if, after examination of this Policy, he or she is not satisfied with it for any reason. This Policy so returned shall be void from the beginning.

THE COMPANY MAY DECLINE RENEWAL OF THIS POLICY
OR ADJUST PREMIUM RATES THEREFORE ONLY AS STATED IN PART 1.

INDIVIDUAL DISABILITY INCOME INSURANCE POLICY

PART I. POLICY PERIOD, RENEWAL AGREEMENT AND PREMIUM ADJUSTMENTS

This Policy is issued in consideration of the statements contained in the application for this Policy and the payment in advance of the first premium stated in the Schedule which includes premium for attached riders, if any; after taking effect this Policy continues in force for the term stated in the Schedule subject to the Grace Period provided herein. It may be renewed for further consecutive periods by payment in advance or during the Grace Period of renewal premium at the Company's applicable premium rate in force at time of renewal at the Insured's then attained age, subject only to the Company's right to decline renewal of this Policy under any of the following circumstances:

1. When the Insured retires or ceases to be engaged in any gainful employment;
2. When the Insured ceases to be an active member of the Association named in the Schedule;
3. When the Insured fails to remit the premium when due, or during the Grace Period provided herein; or
4. When the Company, after giving written notice of its intention at least sixty days prior to the renewal date, declines to renew all such policies issued to members of the Association named in the Schedule.

The Company's acceptance of premium shall constitute its consent to renewal. Unless renewed as herein provided, this Policy shall, except as provided in the Grace Period terminate at the expiration of the period for which premium has been paid. All periods of insurance shall begin and end at 12:00 o'clock noon, Standard Time, at the residence of the Insured. The Company will give the Insured 60 days advance notice in the event of an adjustment in the applicable premium rate.

PART II. DEFINITIONS

Injury wherever used in this Policy means bodily injury caused by an accident occurring while this Policy is in force.

Sickness wherever used in this Policy means sickness or disease which causes disability while this Policy is in force.

Total disability, totally disabled or disability means that as a result of sickness or injury the Insured is unable to perform with reasonable continuity the substantial and material acts necessary to pursue the Insured's usual occupation in the usual or customary way.


Substantial and material acts means acts that are normally required for the performance of the Insured's usual occupation and cannot be reasonably omitted or modified.

PART III. MONTHLY ACCIDENT INDEMNITY

Indemnity will not be paid under this Part unless the disability either (1) commences while this Policy is in force or (2) commences after the Company refuses to renew this Policy but less than thirty-one days from the date of the accident occurring while this Policy was in force.

Indemnity will not be paid under this Part for any period of disability prior to the expiration of the Elimination Period for Accident, if any, stated in the Schedule. To continue benefits for any period of disability under this Part, written ~~proof of loss must be provided to the Company and the Insured must be under the regular care of a currently licensed~~ physician, surgeon, or chiropractor, other than the Insured or a member of his or her family.

Indemnity provided in this Part will be paid for each accident occurring while this Policy is in force but not for concurrent periods of disability.



When, as a result of injury, the Insured is totally disabled, the Company will pay periodically the Monthly Indemnity stated in the Schedule for each month the Insured is totally disabled, not to exceed 24 consecutive months as the result of any one accident.

Benefits payable under this Part for periods which are less than one month will be paid on a pro rata basis based on a 30-day month.

PART IV. MONTHLY SICKNESS INDEMNITY - NON PRE-EXISTING

Indemnity will not be paid under this Part for any period of disability prior to the expiration of the Elimination Period for Non Pre-Existing Sickness stated in the Schedule. To continue benefits for any period of disability under this Part, written proof of loss must be provided to the Company and the Insured must be under the regular care of a currently licensed physician, surgeon, or chiropractor, other than the Insured or a member of his or her family.

When, as the result of sickness which does not result from a pre-existing condition, as herein defined, and commencing while this Policy is in force, and the Insured is totally disabled, the Company will pay periodically the Monthly Indemnity stated in the Schedule for each month the Insured shall be totally disabled, not to exceed 24-months as the result of any one sickness.

Benefits payable under this Part for periods which are less than one month will be paid on a pro rata basis, based on a 30-day month.

PART V. MONTHLY SICKNESS INDEMNITY - PRE-EXISTING

Indemnity will not be paid under this Part for the first one hundred and eighty days of any period of disability. To continue benefits for any period of disability under this Part, written proof of loss must be provided to the Company and the Insured must be under the regular care of a currently licensed physician, surgeon, or chiropractor, other than the Insured or a member of his or her family.

When sickness caused by or resulting from a pre-existing condition, as herein defined, shall cause the Insured to be totally disabled, the Company will pay periodically the Pre-existing Sickness Monthly Indemnity stated in the Schedule for each month the Insured shall be totally disabled after the first 180 days of disability, not to exceed thirteen months as a result of any one sickness.

Benefits payable under this Part for periods which are less than one month will be paid on a pro rata basis, based on a 30-day month.

PART VI. RECURRENT DISABILITIES

If benefits have become payable in accordance with Part IV or Part V and if the Insured, while this Policy is in force, suffers a recurrence of disability from the same or related cause or causes, the subsequent period of such disability will be deemed a continuation of the prior period, unless due to entirely unrelated causes or such periods of disability are separated by six consecutive months in which event such disability shall be deemed a new period of disability and subject to a new Elimination Period.

PART VII. WAIVER OF PREMIUM

Upon due proof that total disability for which indemnity is payable under this Policy has continued for a six month period commencing with the expiration of the elimination period, if any, while this Policy is in force, the Company will waive the payment of any premium becoming due during any further continuous period of total disability for which indemnity is payable and this Policy shall remain in force until the next premium due date, subject to the right of the Company to decline renewals as provided in Part I.

PART VIII. EXCLUSIONS/LIMITATIONS

This Policy does not cover any loss, fatal or non-fatal, caused by or resulting from (1) any attempt at suicide while sane, or any attempt at self-destruction while insane; (2) sickness resulting from pregnancy or childbirth; (3) injury sustained while a passenger other than a fare-paying passenger in any aircraft or while a passenger in a military aircraft or acting as a pilot or crew in any aircraft; (4) declared or undeclared war or any act thereof; (5) sickness or disease caused by or resulting from any pre-existing condition, as herein defined except as provided in Part V.

This Policy does not cover any loss caused by or resulting from injury for which compensation is payable under any Worker's Compensation Law or sickness for which the Insured is entitled to benefits under any Occupational Disease Law.

This Policy does not cover any loss commencing while the Insured is in the service of the armed forces of any country. Orders to active military service for training purposes of two months or less shall not, for the purpose of this exclusion, constitute service in the armed forces of any country. Upon notification to the Company of entering the armed forces of any country, the Company will return to the Insured pro rata any premium paid for any period during which the Insured is in such service.

PRE-EXISTING CONDITION LIMITATION: The Insured is not covered for a disability caused or substantially contributed to by a pre-existing or medical or surgical treatment of a pre-existing condition. The Insured has a pre-existing condition if:

1. the Insured received medical treatment, care or services for a diagnosed condition or took prescribed medication for a diagnosed condition in the {12-24} months immediately prior to the effective date of coverage under his contract, or
2. the Insured suffered from a physical or mental condition, whether diagnosed or undiagnosed, which was misrepresented or not disclosed in the Insured's application for which the Insured received a physician's advice or treatment within {12-24} months before the date of issue, or which caused symptoms within 12 months before the date of issue for which a prudent person would usually seek medical advice or treatment, and
3. the disability caused or substantially contributed to by the condition begins in the first {12-24} months after the effective date of coverage under this contract, except as provided under Part V.

PART IX. POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy including the endorsements and the attached papers, if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by an executive officer of the Company and unless such approval be endorsed hereon or attached hereto. No agent has the authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: (a) After two years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by the applicant in the application for this Policy shall be used to void this Policy or deny a claim for loss incurred or disability (as defined in this Policy) commencing after the expiration of such two year period. (b) No claim for loss incurred or disability (as defined in this Policy) commencing after two years from the date of issue of this Policy shall be reduced or denied on the grounds that the disease or physical condition, not excluded from coverage by name or specific description effective on the date of loss, had existed prior to the effective date of coverage of this Policy.

GRACE PERIOD: A Grace Period of thirty-one days will be granted for the payment of each premium falling due after the first premium, during which Grace Period this Policy shall remain in force, unless the Company has delivered to the Insured notice of its intention not to renew this Policy as provided in Part I, item 4.

REINSTATEMENT: If any renewal premium be not paid within the time granted the Insured for payment, a subsequent acceptance of premium by the Company or by any agent duly authorized by the Company to accept such premium, without requiring in connection therewith an application for reinstatement, shall reinstate this Policy; provided, however, that if the Company or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, this Policy will be reinstated upon approval of such application by the Company or, lacking such approval, upon the forty-fifth day following the date of such conditional receipt unless the Company has previously notified the Insured in writing of its disapproval of such application. The reinstated Policy shall cover only loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than ten days after such date. In all other respects the Insured and Company shall have the same rights thereunder as they had under this Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than sixty days prior to the date of reinstatement.

NOTICE OF CLAIM: Written notice of claim must be given to the Company within twenty days after the occurrence or commencement of any loss covered by this Policy or as soon thereafter as is reasonably possible. Notice given by or on behalf of the Insured or the beneficiary to the Company at [REDACTED], or to any authorized agent of the Company with information sufficient to identify the Insured, shall be deemed notice to the Company.

CLAIM FORMS: The Company, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within fifteen days after the giving of such notice the claimant shall be deemed to have complied with the requirements of this Policy as to proof of loss upon submitting, within the time fixed in this Policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

PROOFS OF LOSS: Written proof of loss must be furnished to the Company at its said office in case of claims for loss, for which this Policy provides any periodic payment contingent upon continuing loss, within ninety days after the termination of the period for which the Company is liable and, in case of claim for any other loss, within ninety days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required.

TIME OF PAYMENT OF CLAIMS: Indemnities payable under this Policy for any loss other than loss for which this Policy provides any periodic payment will be paid immediately upon receipt of due written proof of such loss. Subject to the due written proof of loss, all accrued indemnities for loss for which this Policy provides periodic payment will be paid each month and any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof.

PAYMENT OF CLAIMS: All indemnities will be payable to the Insured. Any accrued indemnities unpaid at the Insured's death shall be paid to the estate of the Insured.

If any indemnity of this Policy shall be payable to the estate of the Insured, or to an Insured or beneficiary who is a minor or otherwise not competent to give a valid release, the Company may pay such indemnity, up to an amount not exceeding \$1,000.00 to any relative by blood or connection by marriage of the Insured or beneficiary who is deemed by the Company to be equitably entitled thereto. Any payment made by the Company in good faith pursuant to this provision shall fully discharge the Company to the extent of such payment.

PHYSICAL EXAMINATIONS: The Company at its own expense shall have the right and opportunity to examine the person of the Insured when and so often as it may reasonably require during the pendency of a claim hereunder.

LEGAL ACTIONS: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.

CHANGE OF BENEFICIARY: The right to change of beneficiary is reserved to the Insured and the consent of the beneficiary or beneficiaries shall not be requisite to surrender or assignment of this Policy or to any change of beneficiary or beneficiaries, or to any other changes in this Policy.

MISSTATEMENT OF AGE: If the age of the Insured has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

CONFORMITY WITH STATE STATUTES: Any provision of this Policy which, on its effective date, is in conflict with the statutes of the state in which the Insured resides on such date is hereby amended to conform to the minimum requirements of such statutes.